



LOUISVILLE METRO DEPARTMENT OF
**COMMUNITY SERVICES
AND REVITALIZATION**



Dear Spark Loan Applicant,

The CAP Enterprise Spark Loan Program has been designed to help individuals who are starting their own business. Applicants can apply for a \$5,000 forgivable loan. Applicants must have taken the Spark Business Training class or have attended a similar program approved by the CAP Enterprise program.

The **SPARK Program** allows new micro-enterprise businesses who are ready to open or have been open for less than one year to apply for a forgivable loan. Loans will be awarded for \$5,000 per approved business. Enclosed is an application that outlines all the necessary pieces to successfully become a candidate for the forgivable loan.

Individuals or businesses that may qualify include:

- **Your business employs FIVE or less employees including the owner.**
- **Business owners whose household income falls at or below 80% of the Area Median Income.**
- **Business owner must be willing to allow CAP staff to monitor business on a monthly basis until the loan is deemed forgiven, one year from the date of disbursement.**
- **Businesses and loans must be used for approved eligible activities (see page 3)**
- **You are a resident of Louisville, Kentucky and your business will be located in Louisville.**

Application DEADLINE: July 13, 2012

Interviews and Selection: August 6 to 24, 2012

RETURN COMPLETED APPLICATION TO:

IN PERSON OR MAIL: CAP Enterprise, Urban Government Center,
810 Barret Avenue, **Room 222**, Louisville, KY 40202

FAX: (502) 574-1246

EMAIL: capenterprise@louisvilleky.gov

Call us if questions:

Rebecca Brenzel, 574-5866, Rebecca.Brenzel@LouisvilleKy.gov or
Syvoskia Bray Pope, 574-5168, Syvoskia.Pope@LouisvilleKy.gov

THANK YOU!

Eligibility Requirements

To be considered for a CAP Enterprise (CE) forgivable loan, applicants must meet certain eligibility requirements. These requirements are designed to meet CDBG and CE guidelines, however, are flexible enough to accommodate a wide variety of micro-enterprise ventures.

CAP Enterprise will not provide forgivable loans to the following business types:

- Liquor Stores
- Adult Entertainment
- Gun Sales
- Gambling
- Religious Activities
- Real Estate
- Non-Profit

The following is a listing of eligible and ineligible activities

Eligible Activities:

- Equipment purchase or rental
- Rent payment for office space
- Insurance
- Consulting Services
- Inventory
- Training
- Advertising and Marketing

Ineligible Activities:

- Personal expenses
- Alcoholic beverages
- Lottery equipment and products
- Payroll
- Cigarettes and nicotine
- Façade and structural improvements
- Debt repayment
- Mortgage or rent for home-based business
- Homeowners insurance
- Court fees
- Purchase of property or land

If you have any question about your business type or business activity, please call 574-5866 or 574-5168 to discuss your concerns.

CAP Enterprise

Louisville Metro Community Action Partnership

MICRO-ENTERPRISE SPARK LOAN APPLICATION

Complete applications must include all items listed on the application checklist.

Applications will be considered incomplete if any piece is missing.

All information given will be considered confidential.

Please PRINT legibly.

Personal Information

Name _____ Date _____

Home Address _____ City _____ Zip _____

Home Phone _____ Cell Phone _____

Email Address _____

Race:

- ☐ Black/African-American ☐ White ☐ Asian ☐ American Indian/Alaska Native
☐ Native Hawaiian/Other Pac. Islander ☐ American Ind./Alaska Nat./White ☐ Asian/White
☐ Black/African American/White ☐ American Ind./Alaska Nat./Black ☐ Other Multi-Racial

Ethnicity:

- ☐ Hispanic ☐ Non-Hispanic ☐ ☐

Is the head of household a female? YES NO

Please circle the range your household's annual income falls:

Household Size:	30% AMI	50% AMI	80% AMI
1 Person	\$13,450 or Less	\$13,451 - \$22,350	\$22,351 - \$35,750
2 Person	\$15,350 or Less	\$15,351 - \$25,550	\$25,551 - \$40,850
3 Person	\$17,250 or Less	\$17,251 - \$28,750	\$28,751 - \$45,950
4 Person	\$19,150 or Less	\$19,151 - \$31,900	\$31,901 - \$51,050
5 Person	\$20,700 or Less	\$20,701 - \$34,500	\$34,501 - \$55,050
6 Person	\$22,250 or Less	\$22,251 - \$37,050	\$37,051 - \$59,250
7 Person	\$23,750 or Less	\$23,751 - \$39,600	\$39,601 - \$63,350
8 Person	\$25,300 or Less	\$25,301 - \$42,150	\$42,151 - \$67,400

***If your household is greater than 8, please contact us at 574-5866.**

Household Type: ☐ Small Related ☐ Large Related ☐ Elderly ☐ Disabled ☐ Other

Small Related: 2-4 persons with at least two related persons

Large Related: 5 or more persons with at least two related persons

Elderly: Sole member is a person who is at least 62 years of age, two or more persons who are at least 62 years of age living together, or one or more persons who are at least 62 years of age living with one or more live-in aides

Other: A household of 1 or more persons that does not meet the definition of a small or large related household or an Elderly person.

Business Information

Business Type ☐ Service ☐ Retail ☐ Other _____

Operating Location ☐ Home-based ☐ Store Front ☐ Office ☐ On-line

Is your business currently open? ☐ Yes ☐ No ☐ Full-time ☐ Part-time

Have you attended any business training programs? If so, where?

For Current Business Owners:

Business Name _____

List Owners _____

Business Address _____ Zip Code _____

Business Phone _____ Email _____

How long have you been in business? _____

Business Structure (LLC, Sole Proprietorship, S Corp, etc) _____

How many employees do you currently have? _____

Describe your business or business concept in DETAIL

Business Concept Questions:

Why did you start your business or why do you want to start this business?

Why do you believe your business is capable of success?

How is your educational and/or work background related to your business idea?

How much have you invested in your business?

TIME: _____

MONEY (Equipment/Supplies): _____

Why are you interested in the CAP Enterprise Spark Program?

How did you find out about our program?

Signature _____ Date _____

PLEASE **FAX (502)-574-1246**, E-MAIL capenterprise@louisvilleky.gov or

HAND-DELIVER COMPLETED FORM TO:

CAP Enterprise

Louisville Metro Community Action Partnership

The Urban Government Center, 810 Barret Ave., **Room 222**

Louisville, KY 40204

If you have any questions please contact

Syvoskia Bray Pope at 574-5168 Syvoskia.Pope@LouisvilleKy.gov or

Rebecca Brenzel, Rebecca.Brenzel@LouisvilleKy.gov at 574-5866



CAP Enterprise Personal Financial Statement

Name: _____

Date: _____

Please fill out tables completely. For categories you do not have an asset/liability, please use "N/A."

Assets	Amount in Dollars
Cash- checking accounts	\$
Cash- savings accounts	
Certificates of Deposit	
Securities- stocks/bonds/mutual funds	
Life Insurance (cash surrender value)	
Personal Property (autos, jewelry, etc.)	
Retirement Funds (eg. IRAs, 401K)	
Real Estate (market value)	
Other (specify)	
Other (specify)	
Total Assets	\$

Liabilities	Amount in Dollars
Current Debt (credit cards, accounts)	\$
Notes payable (describe)	
Taxes payable	
Real estate mortgages (describe)	
Other (specify)	
Other (specify)	
Total Liabilities	\$

TOTAL ASSETS – TOTAL LIABILITIES = NET WORTH

Net Worth: \$ _____

Signature _____



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Release of Information – Credit History

I, the undersigned loan recipient(s), applying for a Microenterprise Forgivable Loan from the Louisville Metro Department of Community Services and Revitalization (division of Community Action Partnership), give(s) permission to same, to obtain the applicant's credit history and report needed in processing this loan.

Name(s) of Applicant: _____

Name of Business: _____

All information obtained will be used only for the purpose of processing of loan and will not be released to any other government agency or department without my consent as required or permitted by law.

This must be signed and dated.

Applicant

Signatures: _____

Printed Name: _____

Date of Birth: _____

Social Security #: _____

Date: _____

Co-Applicant



LOUISVILLE METRO DEPARTMENT OF
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Consent to Obtain Arrest History/ Police Background Check

Full Name: _____

Street Address: _____

City/ State/ Zip Code: _____

Social Security Number: _____

Date of Birth: _____

I _____, understand that by signing this form, I give consent for Louisville Metro Department of Community Services and Revitalization (CSR) to obtain my arrest history and other police records, if applicable. I understand that the purpose of this background check is to determine my eligibility/ ongoing eligibility for federally funded assistance.

Microenterprise Loan Program – CSR / Participant Signature & Date

Louisville Metro Community Services and Revitalization Representative

SOURCES OF INCOME

Please provide documentation to certify proof of household income. The following documents can be used to certify income eligibility for business owner(s) and/or household members:

- Wage Stubs for a full month (most recent month)
- Benefit statements or award letters
- Unemployment/Worker's Compensation
- Self-Employment –profit/loss statement from business taxes ("Schedule C" tax return)
- **NO INCOME** -- If a family member does not have verifiable income, then third-party verifications are required:
 - Verification of unemployment benefits
 - Verification of social security benefits or printout of the record
 - Notarized statement of non-filing for federal income tax
 - Verification of assets on deposit (same bank as spouse)

Applicant: _____ Co-Applicant: _____

Address: _____

Does any member of the household who is at least 18 years of age have, or expect to receive within the next 12 months, income from the following sources?

- | | | |
|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Wages, salaries, overtime pay, commissions, fees, tips, bonuses, Armed services pay or other compensation for personal services |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Operation of a business or profession, or from real estate or other capital investments, or from personal property |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Interest or dividends from stocks, bonds, Treasury Bills, Certificates of Deposit, savings or checking accounts, brokerage accounts or money market accounts, the total of which have a value over \$5,000 (if less, does not count) |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Social Security, Individual Retirement Account, annuities, insurance policies, disability or death benefits, or similar types of periodic payments |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Retirement or pension |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Unemployment, severance pay |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Disability, workers compensation |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Temporary assistance for Needy Families (TANF) |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Alimony or child support |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Life insurance policies available before death (whole or universal life) |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Revocable trust |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Lump sum payment or receipt of inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Regular gifts from sources outside the household |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No | Have you or any member of your household disposed of assets below fair market value within the past two years? |

Applicant _____ Date _____

Co-Applicant _____ Date _____

Warning: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful, false statements of misrepresentations to any department of agency of the U.S. or to any matter within its jurisdiction. Revised December 30, 2011

Application Checklist

Please be sure to include all forms of documentation requested below, if you need further clarification or have questions please do not hesitate to contact us.

☐ **Proof of Household Income and Household Size**

- Photo ID of applicant only
- **Social Security Cards for everyone in the household to prove household size (REQUIRED)**

Proof of income from each member of the household (see previous page for list) - The following documents can be used to certify income eligibility for business owner(s) and/or household members:

Wage Stubs for a full month (recent); Benefit statements or award letters; Unemployment/Worker's Compensation; Self-Employment (profit/loss statement from business taxes, i.e. "Schedule C").

- **NO INCOME** -- If a family member does not have verifiable income, then third-party verifications are required:
 - Verification of unemployment benefits
 - Verification of social security benefits or printout of the record
 - Notarized statement of non-filing for federal income tax
 - Verification of assets on deposit (same bank as spouse)

☐ **Completed Business Plan** – Please be sure your business plan includes the following information or your application will not be considered.

- Summary of the business
- Marketing plan
- Competition analysis
- 12 month financial projections

☐ **One to two-page explanation of need of funding and how the use of funds will be used to generate revenue for the business**

☐ **Proof of Household Assets and Liabilities (form is attached in application)**

☐ **Proof of Business Development Training (certificate) if you are not a past Spark Training Graduate.** Qualified training includes programs from Jewish Family and Career Services, Community Ventures Corporation or the Women's Business Center of Ky.

☐ **2 Professional Letters of Reference**

I certify that the information provided to determine my eligibility for participation in the CAP Enterprise Program is true and accurate to the best of my knowledge. I certify that I have fully disclosed all sources of my income and all sources of income received by members of my household. I further understand that any false information provided in connection to this application may be grounds for disqualification from this program. I hereby acknowledge that I am receiving assistance under a federally funded program, Community Development Block Grant and that Title 18, Section 1001 of the United States Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department or agency of the United States.

Applicant Signature

Print Applicant Name

Date

PLEASE Return completed forms to CAP Enterprise office listed on page one.